

HUMAN SERVICES DEPARTMENT [441]

Notice of Intended Action

Pursuant to the authority of Iowa Code section 249A.4, the Department of Human Services proposes to amend Chapter 78, “Amount, Duration, and Scope of Medical and Remedial Services,” Iowa Administrative Code.

The proposed amendments limit coverage of blood glucose monitors and test strips to those produced by manufacturers who have contracted with the Department to provide a rebate for monitors and test strips provided through the Medicaid program. Prior authorization is required for Medicaid members for whom a monitor or test strips from another manufacturer are medically necessary. The Department is directed to collect supplemental rebates for diabetic supplies by 2008 Iowa Acts, Senate File 2425, section 9(18).

The amendments also make numerous changes to update Medicaid terminology.

The restriction on the choice of supplies may be waived with prior authorization.

Any interested person may make written comments on the proposed amendments on or before December 10, 2008. Comments should be directed to Mary Ellen Imlau, Bureau of Policy Analysis and Appeals, Department of Human Services, Hoover State Office Building, 1305 East Walnut Street, Des Moines, Iowa 50319-0114. Comments may be sent by fax to (515)281-4980 or by E-mail to policyanalysis@dhs.state.ia.us.

These amendments are intended to implement Iowa Code section 249A.4.

The following amendments are proposed.

ITEM 1. Amend subparagraph **78.6(1)“d”(3)**, numbered paragraphs “2” and “3,” as follows:

2. ~~Recipients~~ Members with vision in only one eye.
3. ~~Recipients~~ Members with a diagnosis-related illness or disability where regular lenses would pose a safety risk

ITEM 2. Amend subparagraph **78.6(1)“f”(3)**, numbered paragraph “2,” as follows:

2. ~~Recipients~~ Members with a diagnosis-related disability or illness where regular frames would pose a safety risk

ITEM 3. Amend paragraph **78.6(4)“a”** as follows:

- a. A second lens correction within a 24-month period for ~~recipients~~ members eight years of age and older. Approval shall be given when the ~~recipient's~~ member's vision has at least a five-tenths diopter of change in sphere or cylinder or ten-degree change in axis in either eye.

ITEM 4. Strike the words “recipient,” “recipient’s,” and “recipients” wherever they appear in rule **441--78.9(249A)** and insert the word “member,” “member’s, or “members” in lieu thereof.

ITEM 5. Amend paragraphs **78.10(1)“f,” “g”** and **“h”** as follows:

f. Consideration will be given to rental or purchase based on the price of the item and the length of time it would be required. The decision on rental or purchase shall be made by the Iowa Medicaid enterprise, and be based on the most reasonable method to provide the equipment.

(1) The provider shall monitor rental payments up to 150 percent of the purchase price. At the point that total rent paid equals 150 percent of the purchase allowance, the ~~recipient~~ member will be considered to own the item and no further rental payments will be made to the provider.

(2) and (3) No change.

g. Payment may be made for necessary repair, maintenance, and supplies for ~~recipient-owned~~ member-owned equipment. No payment may be made for repairs, maintenance, or supplies when the ~~recipient~~ member is renting the item.

h. Replacement of ~~recipient-owned~~ member-owned equipment is covered in cases of loss or irreparable damage or when required because of a change in the ~~patient's~~ member's condition.

ITEM 6. Amend paragraph **78.10(2)“b”** by adding the following new item in alphabetical order:

Blood glucose monitors, subject to the limitation in 78.10(2)“e”.

ITEM 7. Amend paragraph **78.10(2)“b,”** item “Enuresis alarm,” as follows:

Enuresis alarm system (bed-wetting alarm device) for ~~recipients~~ members five years of age or older.

ITEM 8. Amend paragraph **78.10(2)“c”** as follows:

c. Coverage of home oxygen equipment and oxygen will be considered reasonable and necessary only for ~~recipients~~ members with significant hypoxemia, as shown by medical documentation. The physician's, physician assistant's, or advanced registered nurse practitioner's prescription shall document that other forms of treatment have been tried and have not been successful, and that oxygen therapy is required.

(1) and (2) No change.

(3) A second oxygen system is not covered by Medicaid when used as a backup for oxygen concentrators or as a standby in case of emergency. ~~Recipients~~ Members may be provided with a portable oxygen system to complement a stationary oxygen system, or to be used

by itself, with documentation from the physician (doctor of medicine or osteopathy), physician assistant, or advanced registered nurse practitioner of the medical necessity for portable oxygen for specific activities.

(4) and (5) No change.

ITEM 9. Adopt new subparagraph **78.10(2)“d”(5)** as follows:

(5) Blood glucose monitors and diabetic test strips produced by a manufacturer that does not have a current agreement to provide a rebate to the department for monitors or test strips provided through the Medicaid program. Prior approval shall be granted when the member’s medical condition necessitates use of a blood glucose monitor or diabetic test strips produced by a manufacturer that does not have a current rebate agreement with the department.

ITEM 10. Adopt new paragraph **78.10(2)“e”** as follows:

e. Blood glucose monitors are covered through the Medicaid program only if:

(1) The monitor is produced by a manufacturer that has a current agreement to provide a rebate to the department for monitors provided through the Medicaid program; or

(2) Prior authorization based on medical necessity is received pursuant to rule 441--79.8(249A) for a monitor produced by a manufacturer that does not have a current rebate agreement with the department.

ITEM 11. Strike the words “recipient” and “recipient’s” wherever they appear in paragraph **78.10(3)“c”** and insert the word “member” or “member’s” in lieu thereof

ITEM 12. Amend paragraph **78.10(4)“a”** by adding the following new item in alphabetical order:

Diabetic blood glucose test strips, subject to the limitation in 78.10(4)“c.”

ITEM 13. Amend paragraph **78.10(4)“a,”** item “Diabetic supplies” and “Diapers,” as follows:

Diabetic supplies, other than blood glucose test strips (needles, ~~and~~ syringes, ~~blood glucose test strips~~ and diabetic urine test-supplies).

Diapers (for ~~recipients~~ members aged four and above).

ITEM 14. Adopt **new** paragraph **78.10(4)“c”** as follows:

c. Diabetic blood glucose test strips are covered through the Medicaid program only if:

(1) The strips are produced by a manufacturer that has a current agreement to provide a rebate to the department for test strips provided through the Medicaid program, or

(2) Prior authorization is received pursuant to rule 441—79.8(249A) for test strips produced by a manufacturer that does not have a current rebate agreement with the department, based on medical necessity.

ITEM 15. Strike the words “recipient,” “recipient’s,” and “recipients” wherever they appear in rule **441--78.28(249A)** and insert the word “member,” “member’s,” or “members” in lieu thereof.

ITEM 16. Adopt **new** paragraph **78.28(1)“k”** as follows:

k. Prior authorization is required for blood glucose monitors and diabetic test strips produced by a manufacturer that does not have a current agreement to provide a rebate to the department for monitors or test strips provided through the Medicaid program. The department shall approve payment when a blood glucose monitor or diabetic test strips produced by a manufacturer that does not have a current rebate agreement with the department are medically necessary.